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Carrboro, NC 27510

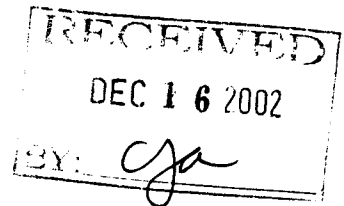
919. 967. 1545

Fax 919. 968. 4030

www.ochlt.org

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December 16, 2002



Roger Waldon
Chapel Hill Planning Department
306 N. Columbia Street
Chapel Hill, NC 27516

Re: Recommended revision to Zoning Ordinance

Dear Roger:

In recent weeks the Council has asked two developers to include an affordable housing component to their development applications. Both development applications are for small (less than 13) developments that are exempt from the restricted-size ordinance. After discussions with both developers, it has become apparent that one means of meeting the Council's request is to allow the developer's to build duplexes.

I realize that duplexes are currently banned in Chapel Hill and that the draft ordinance does not currently allow for duplexes in certain zoning districts. However, I believe that allowing duplexes in all zoning districts would be an effective means of providing affordable housing in many new developments, particularly smaller ones. Furthermore, it seems to work for the developers.

I would like to suggest that the new Land Use Management Ordinance be amended to allow duplexes throughout Chapel Hill, **as long as they are used for affordable housing that will be included in the Land Trust.** This would eliminate the fear of duplexes being used for student housing.

Roger, I would appreciate your thoughts about this idea. I will call you early next week. Thanks for your consideration.

Sincerely,

Robert Dowling
Robert Dowling
Executive Director

cc: Cal Horton, Town Manager

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RECEIVED
DEC 16 2002
BY: *[Signature]*
Council

SASS Properties Inc.
SASS Development Company Inc.

Oleander Business Center
5710 Oleander Drive, Suite 102, Wilmington, North Carolina 28403
Tel.: (910) 313-1874/75 Fax: (910) 313-1876

Wilmington, 12.16.2002

Town of Chapel Hill
Attention: Mayor Kevin Foy
306 N. Columbia Street
Chapel Hill, NC 27516

RE: Cross Creek Subdivision

Dear Mayor Foy,

I was very pleased to read the November 13, 2002 summary of the Town Council's directions regarding the changes to the draft of the new land use management ordinance because, if passed, the ordinance would not conflict with the Preliminary Plat approval which Cross Creek received this past April.

One of the stipulations in the preliminary plat approval was the requirement to provide three size restricted lots. To accomplish this we were to reduce the heated square feet of a small existing house on the property to 1350 square feet and additionally to restrict the size of the houses to be built on two of the other lots in the subdivision.

We already anticipated in the beginning of this year that the new land use management ordinance may not only require size restricted lots but that it may also include a requirement for affordable housing. Consequently we offered, on a voluntary basis, to sponsor a Habitat for Humanity house, which will cost \$,50,000.

Having read an article in the Herald-Sun regarding the Town Council's consideration of amending the small house regulations, I am wondering if the Town may not be better served if Sass Development Company made an additional payment of \$ 100,000 in lieu of the three size restricted lots. This \$ 150,000 contribution would result in the Town ending up, in perpetuity, with three truly affordable Habitat for Humanity houses versus three size restricted lots in Cross Creek.

Please understand that I am somewhat reluctant in bringing up this topic because I am fearful that the Council may feel the necessity to revisit other aspects or components of our existing Preliminary Plat approval. I am hoping for some guidance from you regarding the question of officially requesting a change of the resolution which approved

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Cross Creek. Would a public hearing be required in order to change the text so that it would either require the above-mentioned payment or at least give us the option to make such a payment?

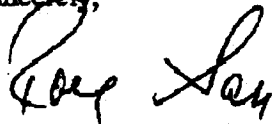
Since I have closed on the land this past spring I am eager to get started with the development work and would not enjoy a lengthy process to have the text amended. If that was to be anticipated, I would prefer to leave things as they are; however, if you thought that this could be dealt with as a consent or business agenda item at your next public hearing because it could be viewed as a minor but desirable change to an existing resolution, I would be interested in pursuing this matter.

The John R. McAdams Co. is expecting to receive all of the Town's comments on our application which we have submitted for the zoning compliance permit and anticipates making all of the required changes very quickly. It seems to me that the question of allowing the payment in lieu should be clarified prior to the issuance of the ZCP but again your advice regarding this would be much appreciated.

I am leaving on a business trip to Germany starting Monday, December 16th and will not be back to North Carolina until January 1st, 2003. As I believe you know, Tom Heffner is consulting me on this project and would be available to discuss this matter either over the telephone or in person while I am out of the country. Tom's telephone number is (919) 929-0518.

Thank you in advance for your advice and consideration.

Sincerely,



Sass Development Company, Inc.
Rolf Sass

Chapel Hill Carrboro
Chamber
O F C O M M E R C E

104 S. ESTES DRIVE • POST OFFICE BOX 2897
CHAPEL HILL, NC 27515-2897

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December 6, 2002

Mayor Kevin Foy and the Chapel Hill Town Council
Chapel Hill Town Hall
306 North Columbia Street
Chapel Hill, N.C. 27514

Dear Mayor Foy and Members of the Chapel Hill Town Council:

Thank you for providing this additional time to comment on the proposed Land Use Management Ordinance. The nine of you and the town staff have put in long hours and considerable thought into creating an ordinance that reflects the needs of the town and the desires of its citizens for the next several years to come. We appreciate all of your hard work and your consideration of the concerns and suggestions that we have brought to your attention thus far.

As discussions of LUMO enter the final phase before your scheduled vote on January 6, 2003, we would appreciate a few more moments of your time to consider some small changes that could improve and refine the ordinance. Making these modifications now could prevent the Council from having to spend additional time on the ordinance in the coming year when pressing issues such as parking standards, duplexes and budget concerns will consume the Council's time.

Again, thank you for considering these recommendations. We will make a presentation on these items at your December 9 public hearing, and look forward to a continued conversation with you about the best way the town can grow in a sustainable way while maintaining a high quality of life for all of our citizens.

Respectfully yours,

Virginia Knapp

Virginia Knapp
Director of External Affairs

Enclosure (1)



MEMORANDUM

TO: Mayor Kevin Foy and Members of the Chapel Hill Town Council

FROM: Virginia Knapp, Director of External Affairs, Chapel Hill-Carrboro Chamber of Commerce

DATE: December 6, 2002

RE: Recommendations for the Land Use Management Ordinance

The Chapel Hill-Carrboro Chamber of Commerce held a charette November 26, 2002, to discuss how LUMO would affect the Chapel Hill Tire and Service Center on West Franklin Street, El Rodeo/PhotoQuick on East Franklin Street and Sterling Ridge Apartments. By studying those properties, the group came up with recommendations for specific language changes the Council could make to refine the ordinance. They include:

- 1. Increase incentives to add a residential component to development downtown and in transit corridors.**

Charette participants said that the best way for the Council to achieve its goal of increasing residential development downtown and in transit corridors is to provide additional incentives to attract developers and builders. Below is suggested language for Section 3.8.7 Incentive for Residential Construction in Town Center (TC) Districts.

Suggested Change:

3.8.7 Incentive for Residential Construction in Town Center (TC) Districts

The purpose of this Section is to provide an incentive for the construction of dwelling units in the Town Center.

- (a) The amount of floor reserved for residential uses on new or expanded lots and redevelopment of existing lots shall be excluded from the floor area ratio calculation as follows:

Table 3.8-2—TC Residential Floor Area Bonus

	TC-1	TC-2
Multi-Family Dwellings	Up to 5% <u>1,000-sf</u> 33% of floor area, whichever is less	Up to 5% <u>1,000-sf</u> 33% of floor area, whichever is less
Vertical Mixed Use Dwellings	Up to 15% <u>15,000-sf</u> 33% of floor area, whichever is less	Up to 15% <u>15,000-sf</u> 33% of floor area, whichever is less

This proposed language increases the bonus from 15% to 33%, providing a greater incentive to developers. In some cases, depending on the height, depth and layout of the lot, and the town’s desire to protect significant trees, this language would require flexibility on height restrictions. We would appreciate the Council’s willingness to grant that height flexibility and include language in the ordinance outlining that understanding.

2. Retain underlying Floor Area Ratios for protecting land in RCDs, creating an internal transfer of development rights.

Charette participants said that, if property owners are allowed to calculate Floor Area Ratios based on the underlying permitted use of the land even as they protect RCD areas, the Council could encourage land stewardship by establishing a system of an internal transfer of development rights. Adding this language would concentrate development in appropriate areas while protecting environmentally sensitive land. The Council may need to consider granting flexibility in height restrictions. Below is a suggested change in Section 3.6.3 (f) Dimensional Regulations in Resource Conservation Districts.

Suggested Change:

(f) Dimensional Regulations

- (1) When determining dimensional regulations for an entire lot, part of which falls into a Resource Conservation District, the underlying zoning of the General Use District shall apply to the area outside the RCD. In lieu of the dimensional regulations generally applicable to the General Use District, the following standards shall apply to the lands designated as inside a Resource Conservation District, for all uses except public greenways and necessary public utilities:

Table 3.6.3-3: Dimensional Regulations in RCD

(A)	(B)	(C)	(D)
Dimensional Requirement	Stream Side Zone	Managed Use Zone	Upland Zone
Floor Area Ratio	.01	.019	.019
Impervious Surface Ratio (unsewered areas)	.06	.12	.12
Impervious Surface Ratio (sewered areas)	.10	.20	.20
Disturbed Area Ratio	.20	.40	.40

- (2) Property owners may use the total dimensional allowance of the underlying General Use District on a lot so long as the boundaries of the designated Resource Conservation District are respected. This internal transfer of development rights may require flexibility on height restrictions.

3. Include a statement of understanding to allow more flexibility on height.

Charette participants envisioned this language applying in cases where property owners were using an internal transfer of development rights to protect RCD areas and where developers were including a residential component to development downtown and in transit corridors. One place to insert the language would be in Section 3.8.7 so that it is clear that the height limit flexibility applies when including residential in Town Center development. Another place would be in Section 3.6.3 Resource Conservation Districts, so that it is clear that height restrictions would be flexible when developers retain the underlying FAR in the RCDs.

Suggested Addition:

Purpose Statement: The intent of the Town Council, by permitting additional Floor Area in the downtown and along transit corridors to encourage residential development, as well as on lots which include Resource Conservation Districts or intermittent stream buffers, is 1) to allow flexibility in height limits that permits an increase in density in appropriate areas, 2) to create pedestrian- and transit-friendly development, and 3) to encourage a sustainable economy.

4. State specific community objectives so that applicants who may seek conditional use zoning have a clear sense of what the Council values in redevelopment.

Charette participants said that if the Council outlined specific goals that it values, such as increased affordable housing, walkability, transit orientation, economic sustainability, or creation of cultural gathering places, and indicated that it would be willing to consider conditional use zoning to achieve those goals, then property owners and developers would be encouraged to redevelop their land in creative ways. A purpose statement could be added to Section 3.4 Conditional Use Districts that would more clearly state what the Council is looking for in redevelopment projects.

Suggested Addition:

Purpose Statement: It is the intent of the Town Council to encourage more residential development in the Town Center and designated transit corridors with an affordable housing component and to encourage development and redevelopment that is oriented to sustaining a vibrant local economy, encouraging use of public transit, increasing walkability and preserving sensitive environmental areas. If a project can meet one or more of these goals, then applications will be favorably considered for conditional use zoning.

5. Implement Mayor Kevin Foy's suggestion to create a yearlong monitoring process of the ordinance to address any problems that could arise.

Chamber members ask the Council pass a resolution setting up a monitoring process and detailing how that would work. For example, the Council should designate a point person and a task force, as it did when the Council enacted the tree ordinance, to handle

complaints and problems as they arise and report back to the Council at 6- and 12-month intervals on possible adjustments needed.

6. Allow up to 70% impervious surface with stormwater management for nonresidential development.

Members of the Chamber have noted that commercial development is generally between 65% to 85% impervious. Allowing nonresidential and commercial development to create up to 70% impervious surface would be within the State of North Carolina's Watershed Protection regulations and allow intelligent use and reuse of existing nonresidential property in Chapel Hill. Below is a suggested change in the language of Section 3.6.4-1 Intensity Regulations.

Suggested Change:

Table 3.6.4-1: Development Options

Option	Standards
Low Density Option	Development activities shall not exceed two (2) dwelling units per acre (gross land area) or twenty-four percent (24%) built-upon area (impervious surface area) of gross land area.
High Density Option	Development activities which exceed the Low Density Option requirements must control the runoff from the first inch of rainfall. In addition, the built-upon area may not exceed fifty percent (50%) of gross land area <u>in residential zones</u> . <u>The built-upon area may not exceed seventy percent (70%) of gross land area in nonresidential zones</u> . All development under the High Density Option must meet the applicable performance standards of §Section 3.6.4(g).

7. Restrict Neighborhood Conservation Districts (NCDs) to include only residential properties.

Chamber members ask that the Council permit Neighborhood Conservation Districts to only include residential properties and not commercial lots. We feel that neither a group of residential property owners, nor a group of commercial property owners, should be able to petition for the regulation of the other. We understood this to be the Council's intent before, but the language in Draft Four of LUMO remains unchanged. Below is suggested language.

Suggested Change:

(a) Designation criteria.

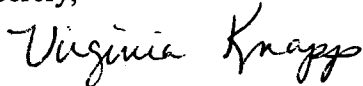
To be designated a Neighborhood Conservation District, the area must meet the following criteria:

- (1) The area must contain a minimum of one block face (all the lots on one side of a block);
- (2) The area must have been platted or developed at least 25 years ago;

- (3) At least 75% of the land area in the proposed district is presently improved; and
- (4) The area must possess one or more of the following distinctive features that create a cohesive identifiable setting, character or association;
 - A. scale, size, type of construction, or distinctive building materials;
 - B. lot layouts, setbacks, street layouts, alleys or sidewalks;
 - C. special natural or streetscape characteristics, such as creek beds, parks, gardens or street landscaping;
 - D. land use patterns, including mixed or unique uses or activities; or
 - E. abuts or links designated historic landmarks and/or districts.
- (5) The area must be predominantly entirely residential in use and character.

The members of the Chamber appreciate the Council's attention and continued consideration of their concerns.

Sincerely,



Virginia Knapp
Director of External Affairs

4-11.

WESTSIDE NEIGHBORHOOD ASSOCIATION

407 Ransom Street
Chapel Hill, NC 27516
919-967-3744

The Mayor and Town Council
Town of Chapel Hill
306 North Columbia Street
Chapel Hill, NC 27516

November 17, 2002

Dear Mayor and Town Council Members:

Re: Proposed Occupancy Limits
Land Use Management Ordinance

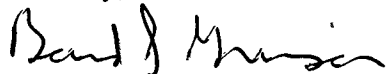
We are writing to express our concern as residents of an older in-town neighborhood regarding occupancy limits particularly as applied to single family homes with an accessory apartment (an accessory apartment is defined by the Town as a dwelling unit no greater than 750 sq. ft.) We feel that this particular issue has not been addressed in the proposed Land Use Management Ordinance and we would like to urge the Council to include a four unrelated person limit for such structures.

We have had a single family home with an accessory apartment in our neighborhood that has been a problem for many years—with as many as 8 or 9 unrelated people living in the structure at any one time. This has inevitably lead to problems with noise, trash, and too many cars. We have had to work hard with the town to reduce the nuisance level of this particular property.

The Town needs to decide if it wants to encourage owner occupied houses in the neighborhoods near campus, or if it wants to accelerate the process of these neighborhoods turning into primarily poorly maintained student occupied rentals. Occupancy limits make a big difference as to who buys these single-family homes that have accessory apartments.

We strongly encourage the Town to address the issue of occupancy levels in single-family homes that have an accessory apartment and to limit the occupancy level in these structures to a total of four unrelated persons.

Sincerely,



Baird S. Grimson
President

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WESTSIDE NEIGHBORHOOD ASSOCIATION

407 Ransom Street
Chapel Hill, NC 27516
919-967-3744

The Mayor and Town Council
Town of Chapel Hill
306 North Columbia Street
Chapel Hill, NC 27516

November 18, 2002

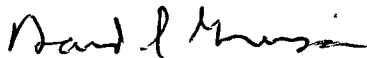
Dear Mayor and Town Council Members:

Re: Dwelling, Two-Family Duplex

We are writing in support of the Northside residents who are concerned about the occupancy limits in duplexes. While the replacement of single family homes with duplexes has not been a problem in the Westside neighborhood, it may become so in the future as the pressure for in-fill increases. We feel a good way to prevent this from occurring in any of the older in-town neighborhoods is to limit the number of unrelated occupants permitted in the new structure to the level that existed for the single family home it replaced.

We ask that you consider this option carefully before final enactment of the new Land Use Management Ordinance.

Sincerely,



Baird S. Grimson
President